

STATE OF VERMONT

IN RE MILL SCHOOL RATE APPEAL

SETTLEMENT AGREEMENT

1. The parties to the above-captioned rate appeal enter into the following Settlement Agreement;
2. The substantive terms of the Settlement Agreement are contained in the attached document, Exhibit A hereto, which is fully incorporated herein;
3. The parties agree that the Hearing Officer may dismiss the appeal with prejudice, subject to any approval that may be deemed necessary or appropriate by the State Board of Education;
4. In connection with the dismissal of the appeal, the parties release each other from any and all claims that each has against the other, through and including the date hereof.

DATED this 12<sup>th</sup> day of August, 2020.

By: Mark D. Gettinger

The Mill School  
By: Mark D. Gettinger, its attorney

By: Emily L. Simmons

Vermont Agency of Education  
By: Emily L. Simmons, its attorney

# Exhibit A

This is to summarize the agreed to terms for The Mill School (TMS) rate appeal.

## Budget Items

In addition to AOE's identified approved budgeted costs totaling \$1,254,605, the parties agree that the following expenses shall also be allowed:

1. 0.5 FTE for School Director: \$38,438
2. Office Management Book keeping, HR, IT: \$54,308

On future rate applications, TMS will continue to represent these expenses under operational costs as a service agreement for these services, unless staff are hired directly by TMS.

3. Administration and Strategic Support (CEO & COO): \$55,097  
In all future rate setting applications and/or rate reviews, TMS will provide time study reports if requested by AOE for the CEO and COO.

## School Capacity and Final Rates

SY18/19 and SY19/20: AOE approved TMS's school capacity to be reduced from 30 to 23 for SY18/19 and SY19/20. 90% student capacity is 20.7. All parties agree to use 21 student capacity for this rate calculation.

Rate Calculation: Budget total: \$1,402,448.00/21 students= **\$66,783.24**

TMS agrees it will not seek additional recoupment from school districts for the SY18/19.

**SY20/21:** AOE approved TMS's school capacity to be increased from 23 to 25 for SY20/21. It was agreed to include the expense of hiring an additional professional staff of \$63,210.00 (salary and fringe) to the base budget for SY20/21. 90% capacity is 22.5. All parties agree to use 22.5 student capacity for this rate calculation.

SY20/21 allowable budget total: **\$1,465,658.00**

Rate Calculation: Budget total: \$1,465,658.00/22.5 students= **\$65,140.36**

Additionally, should TMS reach full capacity of 25 students for the SY20/21 and have requests for admissions that exceed the approved student capacity of 25, TMS agrees that it will notify AOE. If AOE chooses to approve TMS for additional student capacity, both AOE and TMS will discuss TMS's SY20/21 actual student enrollment to date, additional staff/cost needed to accommodate the additional student(s) and, if the approved SY20/21 rate requires recalculation and/or adjustment for additional students. TMS will not deny admission to a student solely on the basis of having reached a capacity of 25 students.